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CENTRAL INTELLIGENCE AGENCY

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THIS IS UNEVALUATED INFORMATION

SOURCE

Newspapers as indicated.

KWANGTUNG PRICES DROP AS RECENT CROPS RELIEVE FAMINE CONDITIONS

 $\sqrt{ exttt{Numbers}}$ in parentheses refer to appended sources. $\sqrt{ extit{7}}$

A dispatch from Canton reports that the Kwangtung Provisions Corporation has done much work in the distribution of food for the recent spring famine. In the past few months, this organization has distributed over 200 million catties of food. In April and May 1951, enough food was supplied to meet the needs caused by the spring famine. The people's food supplies were equalized and prices were stabilized. Now, there is neither lack of products nor fluctuation of prices. Many crops were destroyed by the severe winter in 1950 and much damage was done by the spring rains, but the famine threat has been stopped by the work of the Provisions Corporation. In many areas the prices fell below the fixed market prices.(1)

A later dispatch from Canton states that the harvest season has started and that 20,000-30,000 cattles of early grain have already reached the markets. In certain areas the grain prices are falling. At the end of June, the market price of rice was from 141,000 to 143,000 yuan per market picul in Yang-chiang and Enp'ing hsiens. After 1 July, this price dropped to 97,000 and 100,000 yuan per picul. The highest price in all hsiens was not above 110,000 to 120,000 yuan per picul.

Food prices are generally falling in all areas. The famine conditions of the past 5 months are passing and many persons who had been forced to eat sweet potatoes, taro, melons, grass roots, bark, etc., have begun to eat rice gruel. The famine conditions were due to the severe winter and early spring weather which froze the grain shoots, and the insect pests which attacked the growing plants.(2)

SOURCES

1. Ta Kung Pao, 11 Jun 51 Hsing-tao Jih-pao, 8 Jul 51

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